



DERIVATIVES

Market Statistics

Product	No. of Contracts	Turnover (Rs.cr)
Index Futures	1,63,196	13,017.85
Stock Futures	4,22,875	29,712.51
Index Options	32,70,250	2,71,227.42
Stock Options	2,71,256	19,440.30
F&O Total	41,27,577	3,33,398.09

FII Derivatives Statistics

			OI at end of the day		Inflow / Outflow
	Buy	Sell	Contract	Amount	
Index futures	1421.45	2421.15	263663	20134.00	-999.70
Index options	37445.59	35158.53	819032	61682.15	2287.07
Stock futures	6309.10	4161.54	1014595	69532.43	2147.56
Stock options	4575.82	4259.61	70127	5102.66	316.21
Net Inflow/Outflow (Cr)					3751.14

Securities in Ban Period

HDIL, JPASSOCIAT, IBREALEST, JSWENERGY AND UJJIVAN

Nifty Future/Option Trading Guide

NIFTY	Short term	Medium term
Support	9595	9450
Resistance	9900	10150

Nifty View for the Day

Now on the downside, the index has supports at 9710 levels then 9640 levels while on the upside resistance is around 9850 zones.

Quote for the Day

“DIFFICULT ROADS OFTEN LEAD TO BEAUTIFUL
DESTINATIONS.”

Activity Tracking

Stocks (Long Position)	Remarks
Jetairways, Tataglobal, MRPL Chennpetro, Sintex, Divislab Sreinfra, Syndibank, Havells	Suggesting strength in these counter
Stocks (Short Covering)	Remarks
Bergepaint, Unionbank, PNB Coalindia, Dishtv, Vguard Gail, Bankbaroda, Idea	Suggesting strength in these counter
Stocks (Short Position)	Remarks
IDFC, Srtransfin, Repcohome Pageind, Nestleind, Biocon Federalbnk	Suggesting weakness in these counter
Stocks (Long Liquidation)	Remarks
Cholafin, KPIT, Indigo Jpassociat, GMRinfra, PEL Balramchini, Shreecem	Suggesting weakness in these counter

Activity in F&O

Nifty future closed on a positive note at 9776.95 levels. Nifty future open interest decreased by 0.43% with a rise in price by 1.13%. It closed at a premium of 5 point as compared to discount of 2 points of previous trading session. Market witnessed buying interest across the board especially in Pharma, Metals and IT sector stocks. The market turnover increased by 29.73% in terms of number of contracts traded vis-à-vis previous trading day and in terms of rupees it increased by 30.35%.

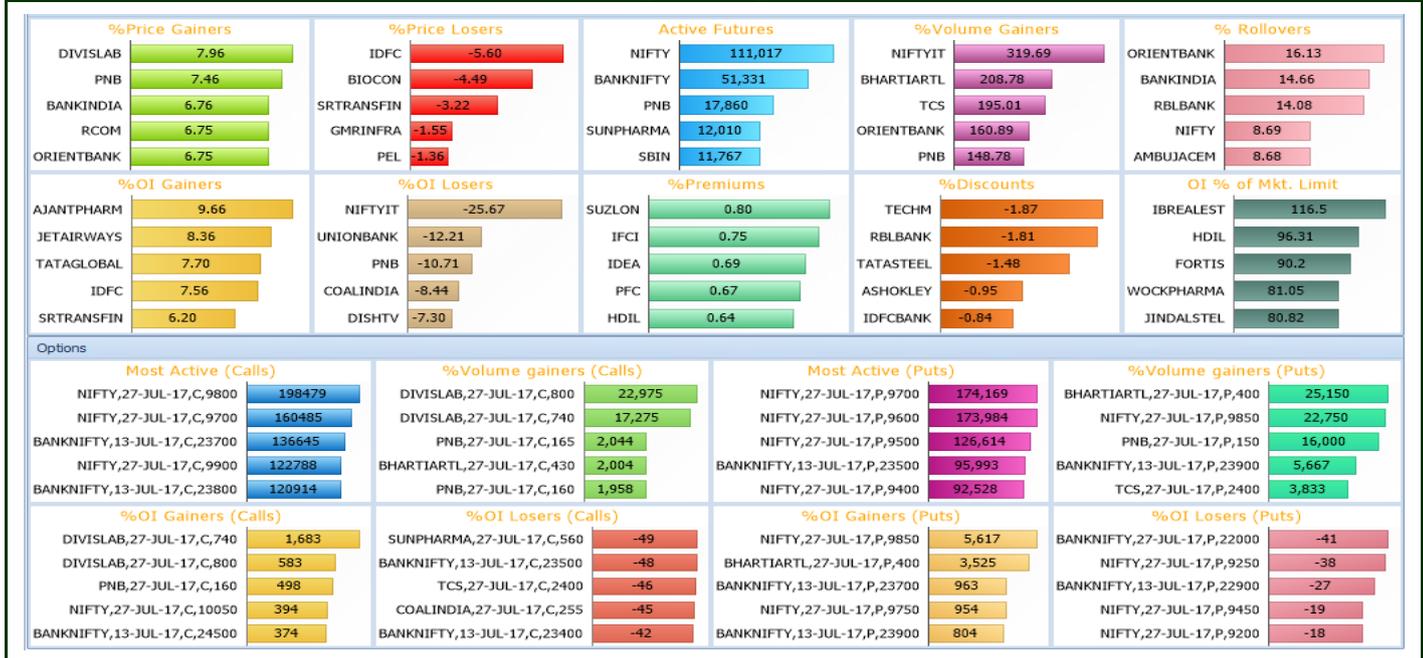
Indication

Put Call Ratio based on Open Interest of Nifty moved from 1.29 levels to 1.34 levels as compared to previous session. Historical Volatility moved from 8.45 to 9.74 levels and Implied Volatility also moved from 10.25 levels to 11.05 levels as compared to previous session.

Conclusion

Nifty Future opened on positive note and witnessed buying interest at every minor decline and headed towards fresh lifetime high of 9794 levels. Finally the session ended with the gains of around 107 points. On the downside, the index has supports at 9710 levels then 9640 levels while on the upside resistance is around 9850 zones. On the option front, maximum Put OI is at 9500 followed by 9400 strike while maximum Call OI is at 9800 followed by 9700 strike. We have seen fresh put writing at 9700 and 9800 strikes while fresh Call writing was seen in 9800 and 9900 strikes. Bank Nifty opened on a positive note and witnessed buying and headed towards 23750 levels. Finally the session ended on a positive note with the gains of around 200 points. Now it has support near to 23350 then 23100 zones while on the upside hurdles are seen at 23750 then 23900 zones.

Graphic Snapshot



CORPORATE ACTION

Symbol	Purpose	BoardMeetingDate	Symbol	Purpose	BoardMeetingDate
INDUSINDBK	Results	11-Jul-17	INFRATEL	Results	24-Jul-17
SOUTHBANK	Results	11-Jul-17	AXISBANK	Results	25-Jul-17
TCS	Results/Dividend	13-Jul-17	PIDILITIND	Results	25-Jul-17
INFY	Results	14-Jul-17	HEROMOTOCO	Results	25-Jul-17
DCBBANK	Results	15-Jul-17	ICICIPRULI	Results	25-Jul-17
KTKBANK	Results	15-Jul-17	BHARATFIN	Results	26-Jul-17
ACC	Results/Dividend	17-Jul-17	HDFC	Results/Others	26-Jul-17
JUBLFOOD	Results	17-Jul-17	BIOCON	Results/Others	27-Jul-17
HINDUNILVR	Results	18-Jul-17	IDFC	Results	27-Jul-17
ULTRACEMCO	Results	18-Jul-17	IDFCBANK	Results/Others	27-Jul-17
BAJAJFINSV	Results	19-Jul-17	ICICIBANK	Results	27-Jul-17
MINDTREE	Results	19-Jul-17	EXIDEIND	Results	27-Jul-17
KPIT	Results	19-Jul-17	DRREDDY	Results	27-Jul-17
HAVELLS	Results	19-Jul-17	CHOLAFIN	Results/Others	27-Jul-17
BAJFINANCE	Results	19-Jul-17	GODREJCP	Results/Dividend	31-Jul-17
BAJAJ-AUTO	Results	20-Jul-17	VGUARD	Results	31-Jul-17
WIPRO	Results	20-Jul-17	VGUARD	Results	31-Jul-17
NIITTECH	Results	20-Jul-17	SHREECEM	Results	31-Jul-17
RBLBANK	Results	20-Jul-17	COLPAL	Results	3-Aug-17
KOTAKBANK	Results	20-Jul-17	TITAN	Results	3-Aug-17
CANFINHOME	Results	21-Jul-17	RAMCOCEM	Results	3-Aug-17
ASHOKLEY	Results	21-Jul-17	BERGEPAIN	Results	4-Aug-17
HDFCBANK	Results	24-Jul-17	DABUR	Results	4-Aug-17
ZEEL	Results	24-Jul-17	TVSMOTOR	Results	11-Aug-17
M&MFIN	Results	24-Jul-17			

Derivatives Lesson: COVERED CALL

- A covered call is constructed by buying the shares of a company in which you feel may rise but not much in the near term so you also sell a call option. The Call Option which is sold is usually an OTM Call.
- This strategy is usually adopted by a stock owner who is Neutral to moderately bullish about the stock
- Upside capped at the Strike price plus the Premium received. So if the Stock rises beyond the Strike price the investor (Call seller) gives up all the gains on the stock.
- When to Use: This is often employed when an investor has a short-term neutral to moderately bullish view on the stock he holds. He takes a short position on the Call option to generate income from the option premium. Since the stock is purchased simultaneously with writing (selling) the Call, the strategy is commonly referred to as "buy-write".
- Max loss: If the Stock Price falls to zero, the investor loses the entire value of the Stock but retains the premium, since the Call will not be exercised against him. **So maximum risk = Stock Price Paid – Call Premium**
- Reward: **Limited to (Call Strike Price – Stock Price paid) + Premium received**
- Breakeven: **Stock Price - Premium Received**

Trading Laws:

- A Trader not observing STOP LOSS cannot survive for long.
- Never re-schedule your stop loss, square up first and then take a fresh view.
- Book small losses by buying / selling near support / resistance, and look for big gains, this will maximize the gains.
- Don't try to anticipate the change in main trend, so don't go against trend

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